

31A-28-204 Unlawful statements.

- (1) It is unlawful to make any statement, written or oral, regarding the coverages and protections provided by the association for the purpose of promoting the purchase of any form of insurance.
- (2) It is unlawful to indicate or imply that the association is an agency of the state or that the existence of the association is in any way a guarantee by the state or any of its instrumentalities to insure the payment of claims.
- (3) The commissioner shall prescribe rules to prevent:
 - (a) use of the association as an inducement for the sale of insurance;
 - (b) the dissemination of false or misleading information regarding the association and its limited guarantees; and
 - (c) the dissemination of information implying that the association is an agency of the state and that the state in any way insures the payment of claims.
- (4) Any person who violates Subsection (1) or (2) is guilty of a class A misdemeanor. Any person who violates a rule under Subsection (3) is liable to the state for a civil penalty of not less than \$250 or more than \$1,000.

Amended by Chapter 241, 1991 General Session